

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO.17994
[REDACTED],	)	
	)	
Petitioners.	)	DECISION
_____	)	

On February 2, 2004, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to[Redacted] (petitioners), proposing income tax, penalty, and interest for the years 1999, 2000, and 2001 in the total amount of \$24,153.

On April 5, 2004, a timely protest and petition for redetermination was filed by the petitioners. An informal hearing has not been requested. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioners did not file Idaho individual income tax returns for the years 1998, 1999, 2000, and 2001. On July 10, 2003, the Tax Discovery Bureau sent a letter with a questionnaire to the petitioners to help the Commission properly determine their filing requirement. The petitioners did not respond to this letter, so[Redacted]. The Commission then issued a NOD to the petitioners [Redacted].

On April 5, 2004, the petitioners sent a protest letter. On April 7, 2004, TDB sent the petitioners a letter notifying them that their protest was timely filed. TDB also requested that the petitioners send in their 1998-2001 returns.

On July 16, 2004, TDB requested that the petitioners provide copies of their 1998, 1999, 2000, and 2001 Idaho individual income tax returns. Since the petitioners did not provide the requested returns, their file was transferred to the Commission's Legal/Tax Policy Division for further review.

On September 16, 2004, the Tax Policy Specialist (policy specialist) sent the petitioners a letter to inform them of their alternatives for redetermining a protested NOD. The policy specialist spoke with [Redacted] several times on the telephone. Mrs. [Redacted] promised to send in their returns several times but has failed to do so.

It is well settled in Idaho that a NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioners to show that the tax deficiency is erroneous. Id. Since the petitioners have failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

[Redacted] The petitioners have not provided the Commission with a contrary result to the determination of their income [Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated February 2, 2004, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioners pay the following tax, penalty and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$6,341	\$1,585	\$2,223	\$10,149
2000	3,877	969	1,048	5,894
2001	6,499	1,625	1,256	<u>9,380</u>
			TOTAL DUE	<u>\$25,423</u>

Interest is computed through July 21, 2005.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioners' right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2005.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_ day of \_\_\_\_\_, 2005, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

[Redacted]\_\_\_\_\_